

SENATE BILL 1013
By Gilbert

AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 1,
Part 7, relative to collection and enforcement of taxes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 1, Part 7, is amended by
adding the following new section:

Section _____. (a)(1) Notwithstanding any law to the contrary, in any counties
having a metropolitan form of government and a population of over 100,000 according to
the 1990 federal census or any subsequent federal census or having the following
populations according to the 1990 federal census or any subsequent federal census:

not less than

nor more than

37,500

37,800

77,800

78,000

335,000

336,000

825,000

830,000

the legislative body of any such counties or municipalities shall be authorized to waive
enforcement and collection of any personal property tax imposed by such county or
municipality pursuant to state law, and to waive enforcement and collection of any
penalty and interest accruing on said personal property taxes, in any case of deficiency
if:

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The local tax collection officer determines after a review of the facts and circumstances pertaining to a personal property tax levy that the business or enterprise which was the subject of the tax levy has ceased all business operations, and:

(A) The business or enterprise had stopped conducting business prior to the assessment date which became the basis for the assessment and levy of the personal property taxes at issue in the case; or,

(B) The personal property assets of the out-of-existence business or enterprise cannot be located or have been transferred to a purchaser in good faith under circumstances in which a reasonable person would not make the type of inquiry regarding outstanding tax liability of an assignor of property as required by Section 67-4-721; and

(C) The local tax collection officer determines that the deficiency does not result from fraud or an intention to avoid payment.

(2) The local tax collection officers shall petition the local legislative body to request a waiver of the enforcement and collection of those personal property taxes, and penalties and interest accruing thereon, for those personal property tax accounts in which the local tax collection officer has determined that the criteria in subdivision (a) (1) have been satisfied. After a public hearing on the petition, the local legislative body may waive the enforcement and collection of the personal property taxes, penalties and interest which are the subject of the petition.

(b)(1) Notwithstanding any law to the contrary, the legislative body of any county or municipality may waive enforcement and collection of any penalties and interest which have accrued on real property taxes and personal property taxes in any case of deficiency if:

The local tax collection officer has determined after a review of the facts and circumstances that the penalties and interest have accrued on property taxes which had been levied against properties, real or personal, which properties, at the time of the filing of the petition set forth herein below, were:

(A) Exempted from property taxation pursuant to Title 67, Chapter 5, Part 2;

(B) The property has been determined to be environmentally hazardous pursuant to federal or state environmental protection or hazardous materials law by those officials, agencies, or courts with the responsibility for enforcing the environmental protection or hazardous materials laws; or

(C) The property has been abandoned or auctioned and a new purchaser of the property has paid any outstanding property tax liability except for penalties and interest.

(2) The local tax collection officer determines that the deficiency does not result from fraud or intention to avoid payment.

(3) The local tax collection officer shall petition the local legislative body for a waiver of enforcement and collection of those penalties and interest accruing on property tax accounts in which the local tax collection officer has determined that the criteria in this subsection have been satisfied. The petition shall stipulate that the waiver of enforcement and collection of the interest and penalties set forth therein shall be conditioned on the payment of all past due property taxes on which the referenced penalties and interest have accrued, subject to the approval of the petition by the local legislative body.

(c) Any waiver of enforcement and collection of property taxes, interest, and penalties pursuant to this section shall be included and set forth as a credit in the

monthly settlement and annual statement pursuant to Sections 67-5-1902, 67-5-1903 and 67-5-1904.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.